

## REMARKS

Entry of the foregoing amendments, and reexamination and reconsideration of the subject application, pursuant to and consistent with 37 C.F.R. § 1.104 and § 1.112, and in light of the following remarks, are respectfully requested.

### Amendments

Claims 1, 5, 9, 10, 15, 16, 29, and 35 have been amended to include the composition recited in claims 18, 31, and 38 (now cancelled) and the granular aspect recited in claim 2 (now cancelled).

The dependencies of claims 3, 4, and 8 have been changed.

Claims 2, 6, 18, 31, and 38 are cancelled.

Claim 10 is now an independent claim.

### Rejections under 35 U.S.C. §102

These rejections are no moot. None of claims 18, 31, and 38, which include the compositional aspects now rejected in the claims rejected as anticipated, were rejected for anticipation. As these compositional elements are now present in the claims rejected hereunder this rejection should now be withdrawn.

### Rejections under 35 U.S.C. §103

Various claims were rejected hereunder, presumably over the combination of Takahashi and Ahn. This rejection is respectfully traversed.

As noted in the rejection, Takahashi does not disclose an M-X-Y composition. In addition, Takahashi discloses a high permeability film or magnetic film. Submitted as background is a copy of Chien, C.L., J. Appl. Phys. 69(8), 15 Apr. 1991 (5267-5272) which describes "granular solids" as ultramagnetically order particles of a few dozens of nanometers present in a matrix of an inorganic, non-magnetic material. The Takahashi materials are referred to as a magnetic alloy material but have neither a granular structure, as described by Chien, nor a composition like the present invention. The present

invention, as recited in the claims, is directed to a granular, magnetic loss material for shielding.

Ahn discloses a microtransformer unit having a soft magnetic layer formed in the substrate as a magnetic core element. As described at col. 8 (ln. 24-26), these microcoils have “low losses, and high magnetic permeability.” There appears to be no other discussion in Ahn of the loss properties. In contrast, applicant’s Fig. 8 (and the accompanying disclosure) relates to the good magnetic loss properties (high loss) of the lossy M-X-Y composition claimed. Thus, the composition cited in the action as disclosed at col. 6 of Ahn is not the same composition as claimed. A transformer, especially the “microtransformer” of Ahn, should have materials that have as low a loss as possible, else the transformer efficiency decreases. The present magnetic noise suppressor is intended to have high losses as to shield against noise. The present claims specifically recite the “loss” quality of the material. Accordingly, if Takahashi is intended to provide shielding to prevent “cross talk noise” then the low loss, high permeability material of Ahn would defeat Takahashi’s purpose by allowing cross talk noise to pass through. Nor is there any motivation to provide any Ahn Fe-X-N or Fe-X-B-N alloy with high loss because that property would defeat the intent of Ahn to make a transformer. Therefore, the combination of Takahashi and Ahn is improper, and even if properly combined, would not have rendered obvious the claimed invention, and so this rejection should be withdrawn.